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PART ONE OF A SPECIAL INVESTIGATION

INSIGHT

THE PHILBY CONSPIRACY

PART 1: PHILBY, THE COMMUNIST, SETS UP HIS FASCIST FRONT



Philby (bottom left corner), the Anglo-German Fellowship given a dinner. Among the guests is Philby, patiently building a right-wing image. Four days later began the Spanish Civil War—in which he was decorated by France

This series is the result of a long INSIGHT investigation into the Burgess-Maclean-Philby spy network. It has been pieced together from hundreds of interviews throughout the world; but the principal sources are almost entirely British or American. During the investigation it became clear that the role of Philby was spectacularly more important even than that of Maclean who is himself revealed to be a major atom spy. Philby is inevitably the central figure but the narrative plots for the first time the true roles of all three characters in the famous "Third Man" drama.



Philby in 1955

A furore was caused last week by publication in the Sunday Times of the main findings of the investigation, and there are other revelations to come. But only in the full detailed context of Philby's career, the period in which he operated, and the eccentric development of the British Secret Services, can they be fully understood—and the lessons learned.

PHILBY'S achievement in becoming head of the Soviet section of the British Secret Intelligence Service, whilst himself being a Soviet agent, was surely the greatest professional coup in the twisted history of the espionage business.

It is true that Philby went on to higher things when he became the linkman between the Secret Intelligence Service and the American Central Intelligence Agency. In that position, he could give his Soviet spymasters thorough general knowledge of the operations of both the major Western intelligence organisations.

But there is a classic quality about the earlier achievement. The selection in 1944 of Philby, a Soviet agent of more than ten years' standing, as the right man to conceive, build up and control a new British operation against the Russians is an event embodying the purest essence of espionage.

ing number of the spectacular personal qualities which are usually attached to spies in fiction. His pistol-shooting was excellent. His mind was swift and clear, and his nerves were extremely strong. Despite some powerful drinking, he remained physically very tough and resilient.

He was also extremely attractive to women. It might seem possible actually to pin the Bond image on him—but for such awkward facts as his noticeably inelegant dress, and his lack of interest in the glamorous ornaments of life. (Far from being the sort of man who calls imperiously for Tattinger Blanc des Blancs, he was well known for his readiness to drink anything from raki to cooking bitter).

But far above all those qualities, he had a capacity to disguise his feelings and intentions. This is the crucial professional attribute of a spy.

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HEADQUARTERS OF SIS (Section V): Prae Wood, an unremarkable country house near St. Albans, Herts. It was here that Philby got his first proper job with British intelligence. In 1944, Section V moved back to London, and Prae Wood returned to its owner, Lord Verulam.

Colonel Valentine Vivian Dancy had virtually run the secret service during Sinclair's declining years and confidently expected to succeed him. But Menzies fobbed

Col Menzies

WHAT WAS the nature of the world which Kim Philby was now on the brink of entering? To understand how he, a committed Communist

The first reform, the construction of SOE, impinged on SIS but did not damage

variety of functions. At one

tangled meeting when Gu
Burgess, an early recruit o

the propaganda side, almost persuaded everyone that it would be a brilliant idea to starve the Germans out by setting fire balloons loose over the cornfields of the Hungarian postal

wyn Jebb, then a rising young man seconded from the Foreign Office. Philby was one of the lucky "D's" taken in S O E. But Burgess, who had been recalled from half-work in a vain attempt to

He quickly became redundant, having told all he knew. He became ludicrously in-

expropriated Hertfordshire
Mansion, 1 of 100,000,000

another is dubbed in proper the "ghost" cave when invasion seemed imminent, to plant caches of guns in remote farmhouses for use by a putative peasant maquis. Sub-groups proliferated including MR, while

quickly rivalled its parent and a separate propaganda apparatus known as "the Electra House crowd." The atmosphere of Department 7 seems to be well represented by a famous interlude in a tangled meeting when Guy Burgess, an early recruit of the propaganda side, almost

By the end of 1940 the ragbag of warring bureaucracies was taken in hand

under Dalton's Ministry of Economic Warfare. SOE was established in Baker Street after a draconian weeding-out of the more grotesque adventurers and misfits naturally attracted to the work. The main executioner was Glavin Wyn Jebb, then a rising

young man seconded from the Foreign Office. Philby was one of the lucky "D's" taken in by the S.O.E. But Burgess, who had been recalled from half-way point in a trip to Moscow, was regarded by Jebb—as a traitor in fury—as unsuitable, and was forced to return to the B.B.

too serious to be left to the amateurs and the superannuated hit M15 at roughly the same time.

They, too, had begun giving work to any friends or friends who arrived on the doorstep. An extreme example of the sort of unlike-

Howard, homosexual, po
and Gargoyles intimate
Burgess and Maclean.

Howard's best epigramm
was Evelyn Waugh: "ma
bad and dangerous to know
Another judge has describ
him as "the leading arroga

Nevertheless, to the horror of even his friends, he was given an MI5 job, winning a dining as many people possible and reporting back to MI5. For this, his usual way of life anyway, he was paid generous expenses in lieu of salary.

He quickly became red-
dant, having told all he knew.
He became ludicrously in-
creet, and his biographer d-

~~RIGHT~~



Malcolm Muggeridge: a Philby agent **Sir Stewart Menzies, the original "M," head of S I S to 1951**

cries his habit of appointing strangers in bars, telling them he worked for a very secret organisation and accusing them of being fascist spies.

This preposterous kind of secret was checked, and almost all his Indian henchmen in the autumn of 1940. This was a very important person, the most swingeing department clean-out of the entire country was taken by the Security Executive, then chaired by Lord Swinton.

The team which now took over was headed by Lord Astor, for civilian professional in the history of the Secret Service, it was led by Sir David Petrie, a solid Scotsman with long intelligence.

Under Petrie the two men who virtually ran M 15 were trained specialists: Guy Liddell and another man who plays a key role in the story. We do not name him because in an unprecedented switch of immense significance, he was made director of the Secret Service (though his identity is certainly known to a few people for other considerations).

This man will be referred to by his code name "C." He was the first young graduate to enter the service, in 1936, on a postgraduate basis, to play at this time early in the war, he was a future man there and a future director of M 15.

The young "C." and Liddell set about re-

shaping the service, emphasising before the war of M 15 tried out bureau-
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MI5, to put the S on a brain-power service. The bulk of his work was in the form of pushing and pulling by a vast army of clerks.

For the higher counter-brains were they were provided, by Anthony Blunt, a z, and Victor Rothschild, a clever physicist done with Blunt and Guy S at Cambridge.

The lawyers made the establishment an ascendancy. They Herbert Hart, now Professor and Helens Milmo, now a High Judge.

The Security Executive, had ordained these remained a very abstruse, having a habit example, including William Armstrong, Permanent Secretary at the organisation which it completely failed to

The S is not already being omnipotently protected by his impenetrable mystique, and is being inspected by an inspection into it just before war.

He was Hankey. They passed him off for service.

During the war, the tradition of Great Game, partly from a dependable source, partly from an equally rich, upper young men from the colonies, had favoured

Colonel Dench. It was

rather a pleasant cause the money.

Most people had to work hard to get young men by that the company of a very However, the common with the Foreign Office, agents, being energetic, were to have got a they did little being round Europe, part to gun-

It was these known as "Stockbrokers," service its com- This notorious fully at the ce- and its rough, dilettante S of which embryonic pro- MI5 were to be next decade.

Most of the S is beloved of Pen in White with his per- and in civilian life broker. It was one London. The club at which leave them to together understood the

"running the secret service or something."

White's reward, too, a federal grant for emergency wartime provisions, on the basic English principle that if you could get a man to do what you could not do, you could trust him; Obviously Evelyn Waugh's "Put Out More Flags" is not so accurate reportage. This is nicely shown in a snatch of the *Sunday Times* reporter on the insight inquiry and a veteran of the war.

Reporter: Rather a lot of crooks seem to have got into the S. S. O. E., didn't they?

Veteran: Well, you have to take care not to get in time, don't you?

Reporter: They seem to have got them out of the net at White's?

Veteran: Well, you wouldn't and anything except crooks they wouldn't be.

Reporter: Where were you recruited?

Reporter: Boodles!

The service was divided into five functional sections. Section I was the Foreign Office. David Footman, a first world war veteran who had edited *31* *London* and *31* *London* for the War Service Sections II, III and IV covered the three main branches of the Navy, with overall responsibility of code-breaking, was maintained in Section V handled counter-espionage, or, more exactly, "intelligence" espionage, was maintained on the ground networks.

By 1941, when Sir Philip Colclough was in the thick of the secret service were at a very low ebb. The

Violent Incident and its aftermath had robbed them of their European agents, and they were left to make do with information coming from the U-boat crews. The British made indignity—saking SOE, which was essentially a sabotage outfit, to provide some of the information. The coup which reinstated Menzies' reputation, in fact, was the code and cypher operation which was run by the brilliant Edward Hastings, at Bletchley Park.

This was unquestionably a stunning triumph. The Germans, remembering the U-boat successes of the British had cracked their manual codes in the first world war but developed a code book which they believed not even the British could penetrate. Breaking it was a Herculean task. It required analytical-decoding but a de-cyphering operation which was the reverse of the codebook possession of the same machine as the one used to

Perhaps the most important of all the machine codes the one used in U-boat communications. The British identified used by U-Boat captains, each of them equipped with a code book. The "Enigma," to report their daily positions to Admiral Dönitz, they used the Enigma machine. The message of the Atlantic convoys would have lasted far longer than it did, had it not been for this. Earlier than has yet been commonly appreciated, the British Navy captured a U-boat and its Enigma machine intact. It was the U-270, and its untarnished code book was apparently perfectly preserved. The operation was called "Herschell" and was carried out by the British cryptanalyst, John Rahn.

It was a coup which rapidly converted into a research vessel, and renamed the HMS *Agamemnon*. The Enigma meant a great leap forward for the code-breakers, and the Enigma machine of the year they had a working model of how the machine worked. The Enigma, though this feat was, was matched by the Navy's astute use of the Enigma's success from the Germans for the entire length of the war. The Enigma machine was located by code-intercepts. The RAF reconnaissance planes sent over the ocean to divert the Germans from the truth about its discovery.

The triumph would not have been possible without the skill of the regular Na-

And the remarkable code-smashing which resulted came only fortuitously under Menzies's command. The Chief of the General Code and Cypher School was for all practical purposes an independent operation.

But Menzies ensured that he personally delivered the results to the Chief of the "Most Secret Sources" whose name was Churchill himself has amply chronicled, what principally spurred up SIS to the rescue.

When Philby entered the service, the busting of the machine codes was still beyond the horizon. What little there was to sustain the flagging morale of the men was the knowledge that the code was mainly from the code school, with the steady stream of material coming from the first world war.

To this was added the particular resilience of Menzies himself. Throughout the war, his inexhaustibly magnetic aura and knowledge of the back-draws of Whitehall could never be underrated by SIS's enemies.

For the two prospective judgments on him seem to vary only in the degree of their admiration. "It is hard to shape, typify the assorted opinions of those who ran into him," says one. "He was terrifying to work with because he acted entirely on instinct. He rarely read a book, but he was so sure he often came up with the answer."

"He was honest and brave, but he only lasted because he was a high-class schemer."

"He was a good second-class. He should never have had the job."

Burgess gets a job for Philby

THE CIRCUMSTANCES of Kim Philby's arrival on the scene are so well charted with some certainty.

Falling membership of the White House was a personal introduction. It seems highly probable that he was in the first instance by his own league in D Department, Guy Burgess.

From Burgess's own claim, on one occasion, to this distinction, there is the

evidence of one of their colleagues in D. who states categorically, "Philly just did not want to be a part of that sort of job on his own. I know it was Burgess who urged upon someone and got him in."

Burgess had at least one notably good contact in S.I.S. D. states that he was active in the political section. They had known each other for several years and he was not close enough to satisfy Burgess' own intense ambition to be a member of the inner circle. It happened that Footman had known Philly's family since Kim was Philly's child. Burgess was a politician and he had to have smooth Philly's path to their chosen slot.

Philly was not, however, actually inserting himself there for taken by Colonel Vivian. Again, Kim's family background was a factor in his favour. "I'm getting in the son of Ed. St. John Philly."

"Knew him in India. Son's been a war correspondent for some time." It seems a bright chap.

To be fair to the Colonel, it must be said that no one else was in a position to act on the wisdom of this. Far from it. Philly's arrival, once he had been accepted, was awaited. The word down at Pine Wood, Section V's Headquarters, was that he was awaited. "It will all be different when Philly gets here."

It is not hard to find the roots of the expectations. Apart from the general tribulations of the service, Section V was a very important cloud, peculiarly its own, in the shape of its chief, Major Felix Cowgill. He was a man of real courage, a man with failing desperation, looked hopefully for some sort of help.

Cowgill ran Prewwood in the words of an inmate, like a bad private school. He was a man who had been justified by the argument he said to have produced against suggestion that he should be set up a German sub-section.

He insisted that it was customary always to attach a German sub-section to a country so there was more permanent British presence there. He was a man who, if he was an army, the GHQ. But in Germany we had neither the staff nor the equipment could therefore be no possibility of placing SIS men there.

Compared with such Indianism, Philly had unusual credentials. He had made

name for himself as a reporter. Fresh from Spain and the S.E.P. he had even seen the "Reds" in action. Some of the qualities of the messiah which SIS certainly attributed to him were a stroke of luck that Vivian had got him to take the job.

The true messiah of this story was the intelligence of SIS to overlook his Communist past. One source who knew him well had already been enough to disqualify him from S.O.E. But SIS was not so sure it cannot be firmly established.

In days when personal recommendation had yet to become the most dignified process of positive vetting, it may be a moot point whether SIS was wrong about the Thirties phase.

The kind of anti-Communist severity which the secret service had in mind is illustrated by the fact that an academic of lifelong Tory views, who was known to "trace" shown an alleged Communist connection. It later emerged that this was a mistake over the title of a medical friendly society. Perhaps the most dignified story is Peter Kemp's when his vetting for S.O.E. When they heard he was anxious to go, they were very thoughtful in giving him some very strong looks—but once it was realised that he was a member of Franco's side, there were gaps of relief.

The reputation of Philby's political stance is also raised by the nature of the man who preceded him to Free Wood House. He was a close friend and travelling companion of before the war. Ian, who was then in the S.H. Benson's advertising agency.

When he arrived, he addressed his praises to the swelling antiphon for his close friend Kim. But after listening to the views of the others, he thought it surprising, though praiseworthy, that Philby had been so successful in his early thirties. Ian had explained at length to him the grounds for not taking Kim Philby to the Communists.

When Philby arrived he took over the Thirion sub-section of the V.C. and Ian—as his deputy. The Section had been especially keen to get the V.C. Colonel Dancy—the red-funnel bloomers brigade chief, dealing entirely with cover work. This was the

To P35

Burgess gets a job for Philby

THE CIRCUMSTANCES of Kim Philby's arrival on this lamentable scene can now be charted with some certainty.

Failing membership of Whites, the *sine qua non* was a personal introduction. It seems highly probable that this was supplied in the first instance by his recent colleague in D Department, Guy Burgess.

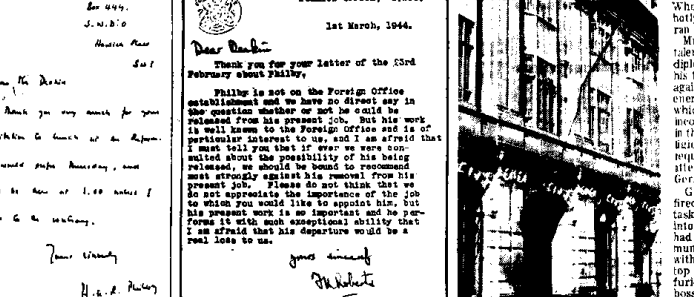
Apart from Burgess's own claim, on one occasion, to this distinction, there is the

He insisted that it was customary always to attach SIS field staff in a foreign country to some more permanent British presence there: if an embassy, the embassy, if an army, the GHQ. But in Germany we had neither army nor embassy: there could therefore be no possibility of placing SIS men there.

Compared with such Indianism, Philby had usual credentials. He had made a

When Philby arrived he took over the Iberian subsection of Section V, with Ian — as his deputy. The Section had been spitefully designated by the deposed Colonel Dancy "the red-flannel bloomers brigade." But, dealing entirely with counter-espionage, it was the

Turn to P35



RESPONDENCE in 1944, when Philby was invited to rejoin The Times. The letter, left, displays his meticulous hand. The idea ended with the letter, above right, written at 11 Ryder Street, W 1, home of Section V after its move to London. **T**

[illegible][illegible]

his capacity for alcohol. When he drank he drank hard, but he never lost control. A man under pressure might be expected to lay off completely or to keep his guard on the occasional stress-busting drink. It is more proof of the inner strength against which people are often surprised to find they have found a counter that Philip did neither.

Besides, he was far from regular at the drinker. He would often give the pickup cricketer games and the pub a miss, and straight on to bed to his wife, Aileen. The match, his second, had been a underdog win, since Aileen Purse's family was strongly 'county' (Somerset) and he had been a captain and admiral who Philip despised. But during this period at least, he was devoted husband and father.

By 1942, two years after coming in, he was firmly established as the county's very best men. Someone has described him at this period as 'a perfect amalgam of the racketeering upper-class and the scrapping lower-class'. But it would be true to say that he was a man about a steady trend towards the driver's seat.

By 1943, his notable rump pulled off by setting his probability of achievement was probably not much more than that of any other anyone else involved in Section V's efforts to reach the end of the road.

By 1944, he was rapidly

...leading role in the
...in the desert of The Man
...Never Was, those who
...to him, but those who
...that operation.
...him more relevant was the
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...after he bungled the
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...nificantly been able to com-
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**The blind
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...By early 1944, Philby
...getting better by the limi-
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...to have persuaded Col.
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...despatched to Germany
...least testing police work
...in or in Munchen-Gladbach.
...decline. Col. Virvan is
...have been much
...by the necessity for
...and to have
...him. Kim, only
...other day I was recom-
...him for the OBE."
...the Iberian paper got
...in the end.

...Philby's intention was evi-
...ly to take over
...control of him.
...But his plan depended
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